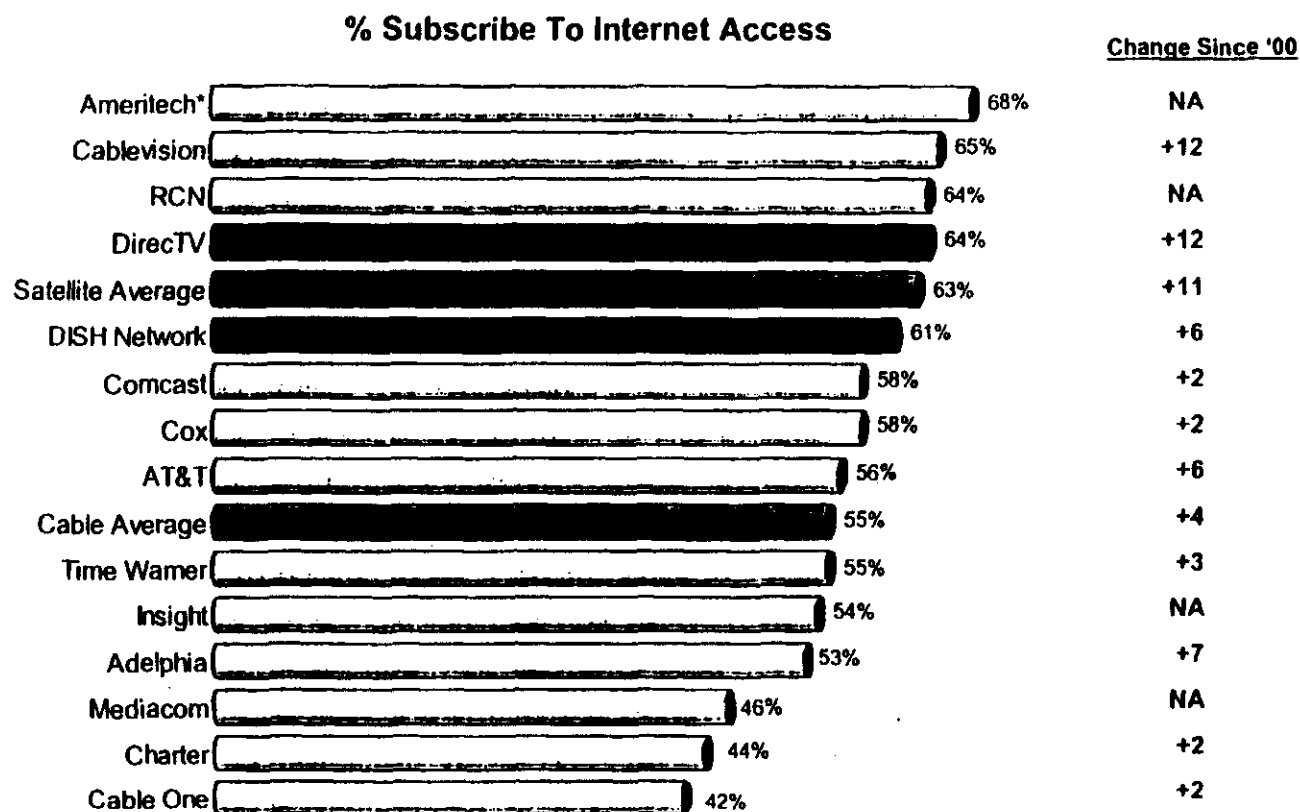


# DETAILED FINDINGS

\* Internet Usage



## More Than Half Of Cable Users And Almost Two-Thirds Of Satellite Users Have Internet Access.



\* = americast cable provided by Ameritech

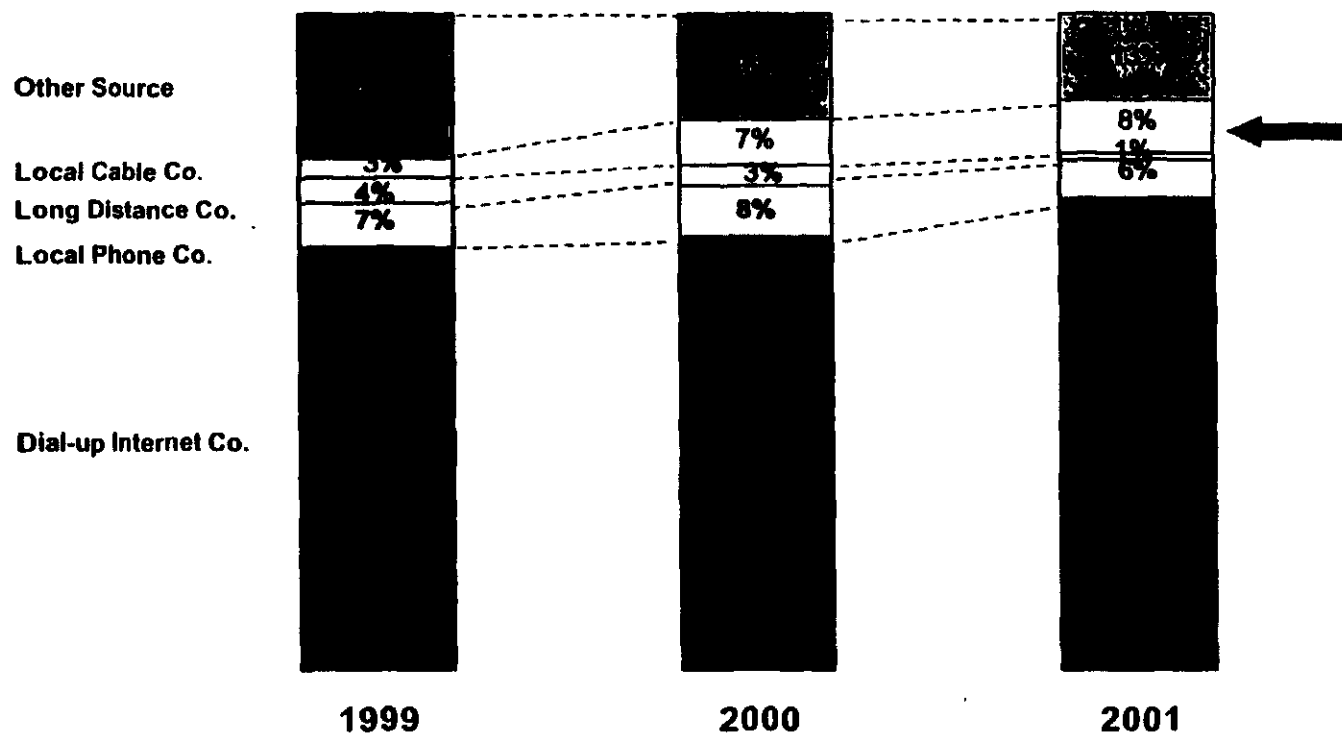
Source: 2001 JDP&A Cable/Satellite CSI Studies



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**On Average, 8% Of Cable Households Subscribe To High-Speed Access From Their Cable Company, Rising Slightly From Their Previous Levels Of Penetration (7%).**

**% Source of Internet Access: Cable HH**



# Cable Modem Users Have Higher Household Incomes, Live In Larger Households And Live In Suburban Regions More Often Than Dial-up Internet Households.

Cable Modem Vs. Dial-up Internet Connection Demographic Differences

	Cable Modem Households	Dial-up Connection Households	% Diff. Cable Modem vs. Dial-up Modem
<b>Age</b>			
Under 35	24%	21%	
35-54	52%	50%	
55+	24%	29%	
<b>Education</b>			
High School or less	32%	30%	
College+	68%	70%	
<b>Income (In \$K)</b>			
Less than \$35,000	21%	29%	
\$35K to \$50K	11%	20%	
\$50K or more	68%	51%	
<b>Mean per year (\$00's)</b>	\$73.7	\$58.1	
<b>Household Size</b>			
One	10%	19%	
Two	32%	34%	
Three+	58%	47%	
<b>Residential Location</b>			
Urban	20%	21%	
Suburban	65%	54%	
Rural	15%	25%	

# Cable Modem Users Are Significantly More Satisfied With Their Cable Companies Than Subscribers That Use A Dial-up Internet Connection.

Cable Modem Vs. Dial-up Internet Connection Satisfaction Index Among Cable Households

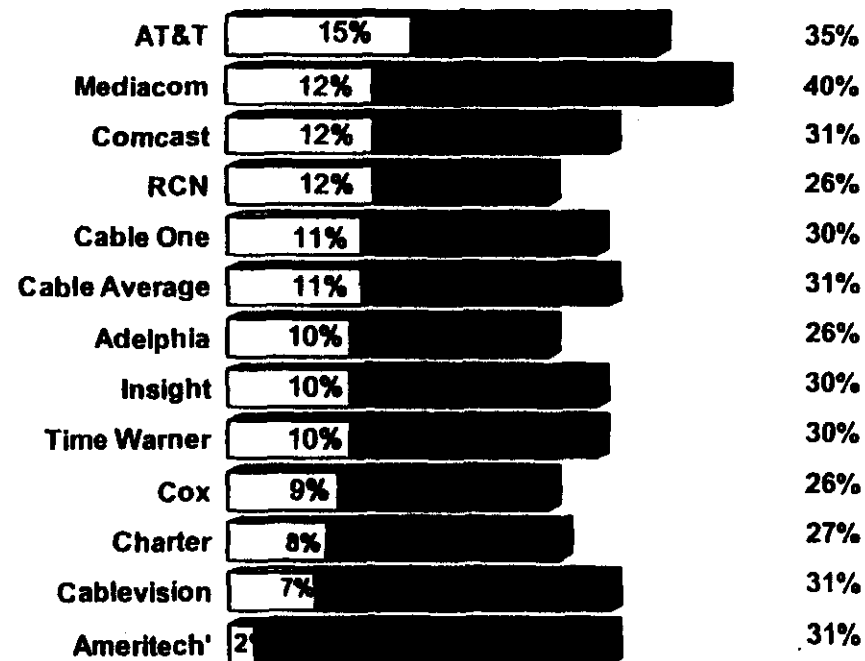
	Cable Modem	Traditional Internet Connection	Difference
<b>OVERALL</b>	<b>100</b>	<b>94</b>	
<i>Cost of Service</i>	<b>99</b>	<b>94</b>	
<i>Credibility/Billing</i>	<b>101</b>	<b>94</b>	
<i>Program Offerings</i>	<b>101</b>	<b>95</b>	
<i>Equipment &amp; Service Capabilities</i>	<b>103</b>	<b>94</b>	
<i>Customer Service</i>	<b>97</b>	<b>95</b>	
<i>Reception Quality</i>	<b>100</b>	<b>91</b>	

= Statistically significant above DIAL-UP INTERNET PROVIDER at 95% confidence level

\* = Statistically significant below DIAL-UP INTERNET PROVIDER at 95% confidence level

## On Average, One In Four Cable Users Is Interested In Subscribing To Cable Internet Access Within The Next 12 Months.

% Extremely/Very/Somewhat Likely To Subscribe To Internet Access With Local Cable Company:  
Next 12 Months If High-Speed Access Offered\*\*



□ Extremely/Very ■ Somewhat

\* = americast cable provided by Ameritech

\*\* Among those households with dial-up Internet service only

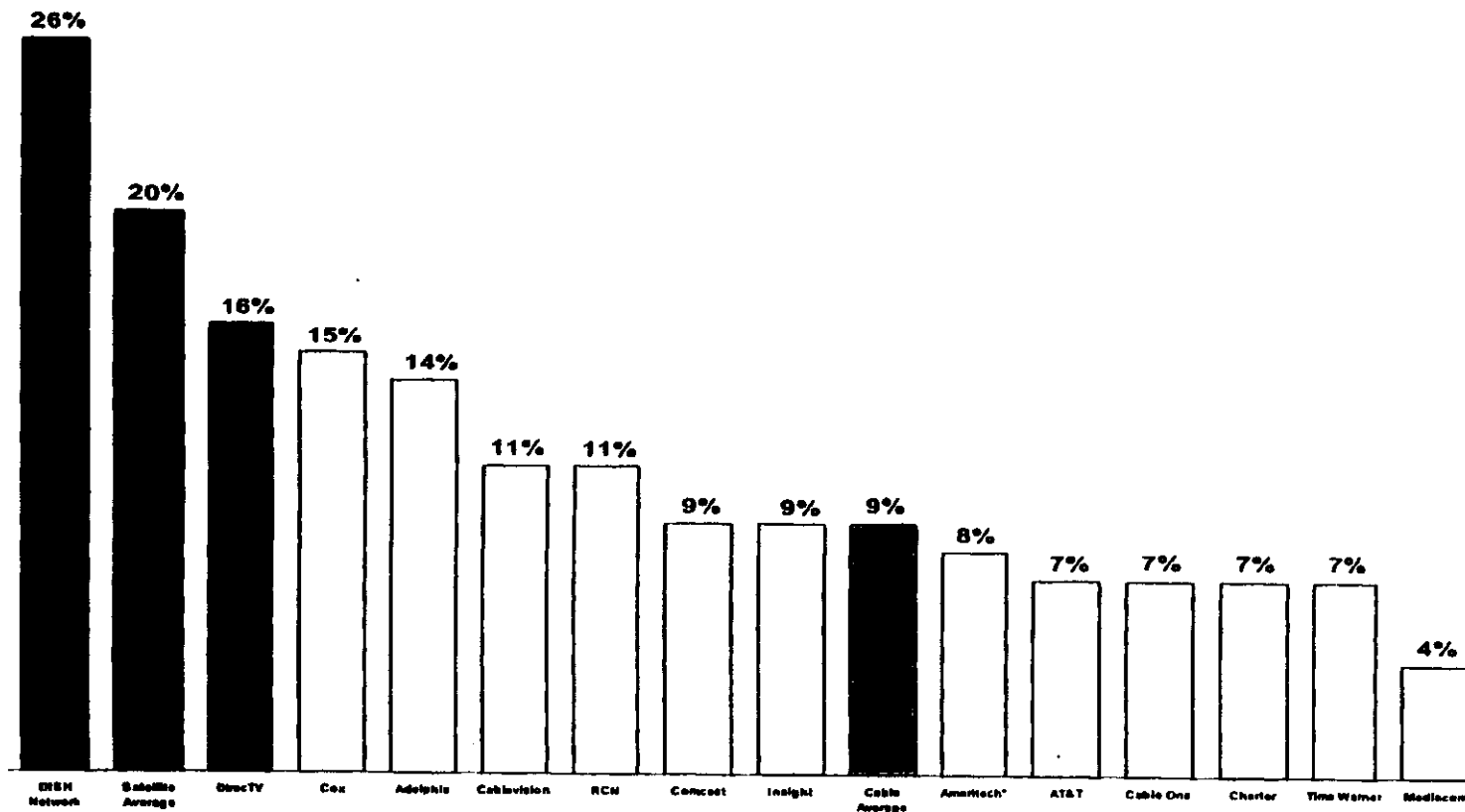
# DETAILED FINDINGS

\* Web-Based Customer Service Issues



## On Average Twice As Many Satellite Users Report Visiting Their Providers Website As Do Cable Users.

% With Internet Access Who Have Visited Their Satellite/Cable Providers Website In Past 6 Months:



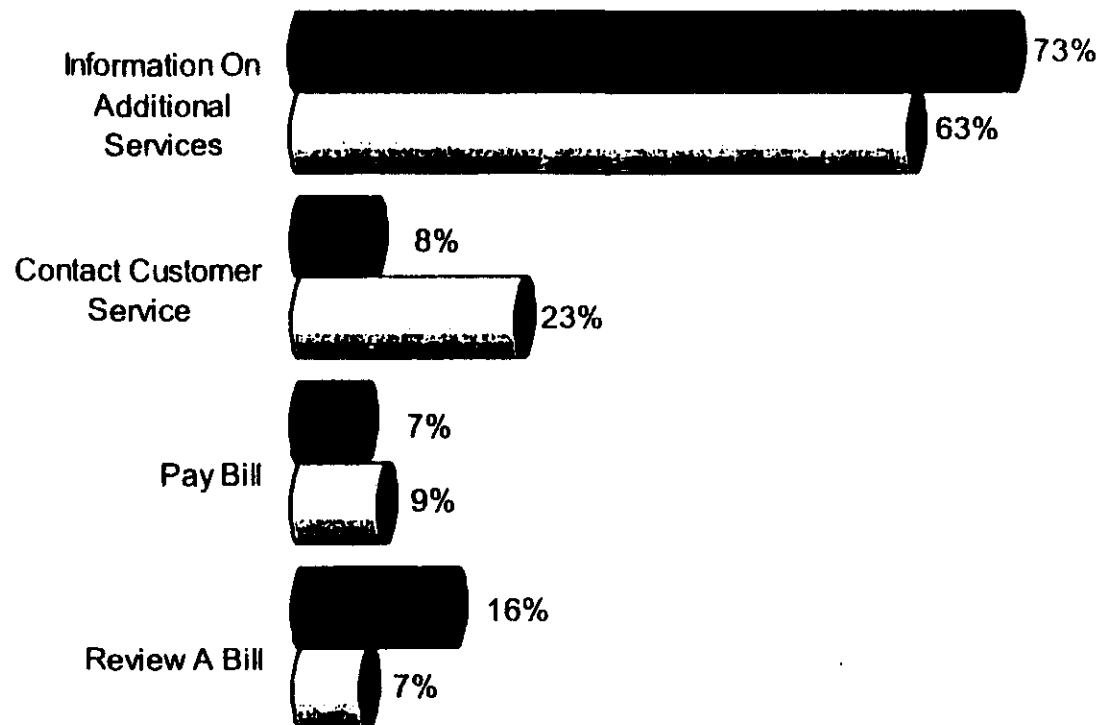
\* = americast cable provided by Ameritech

Source: 2001 JDP&A Cable/Satellite CSI Studies



## Information On Additional Services Is The Reason For Three-Quarters Of The Visits To Both Cable And Satellite Carrier Websites.

% Reasons For Visiting Cable/Satellite Provider Website\*

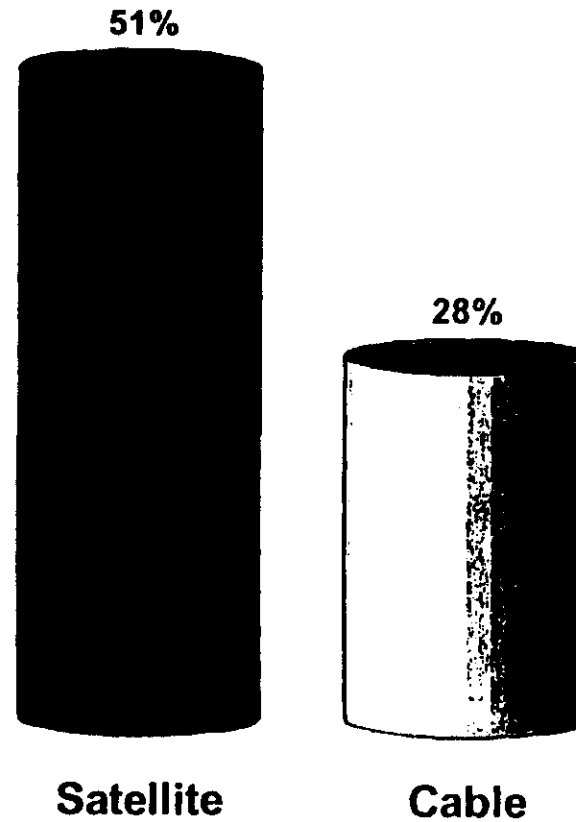


\* Among those who visited Cable/Satellite TV provider's website in past 6 months.

Source: 2001 JDP&A Cable/Satellite CSI Studies

## Customers That Visited Their Satellite Providers Website Are Much Happier With The Site Than Cable Customers Are With Their Cable Provider's Site.

% "Top 3 Box" Satisfaction With Satellite/Cable Providers Website:



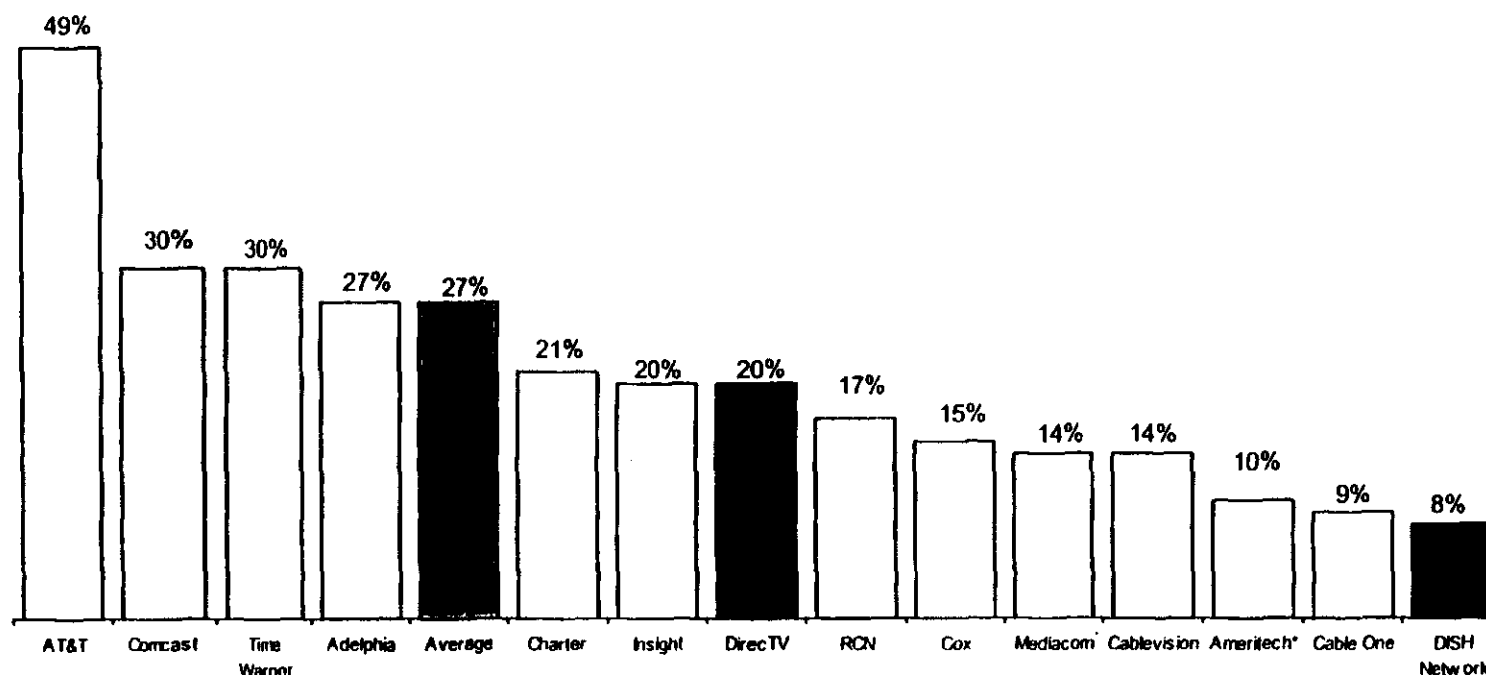
# DETAILED FINDINGS

\* Impact Of Merger Activity



## Almost One-Half Of AT&T Cable/Broadband Customers Are Aware Of Mergers Affecting Their Cable Company...

% Of HHs Who Report Being Aware Of Cable/Satellite Provider Experiencing A Merger:



\* = americast cable provided by Ameritech

■ Satellite Service Providers  
□ Cable Service Providers

Source: 2001 JDP&A Cable/Satellite CSI Studies

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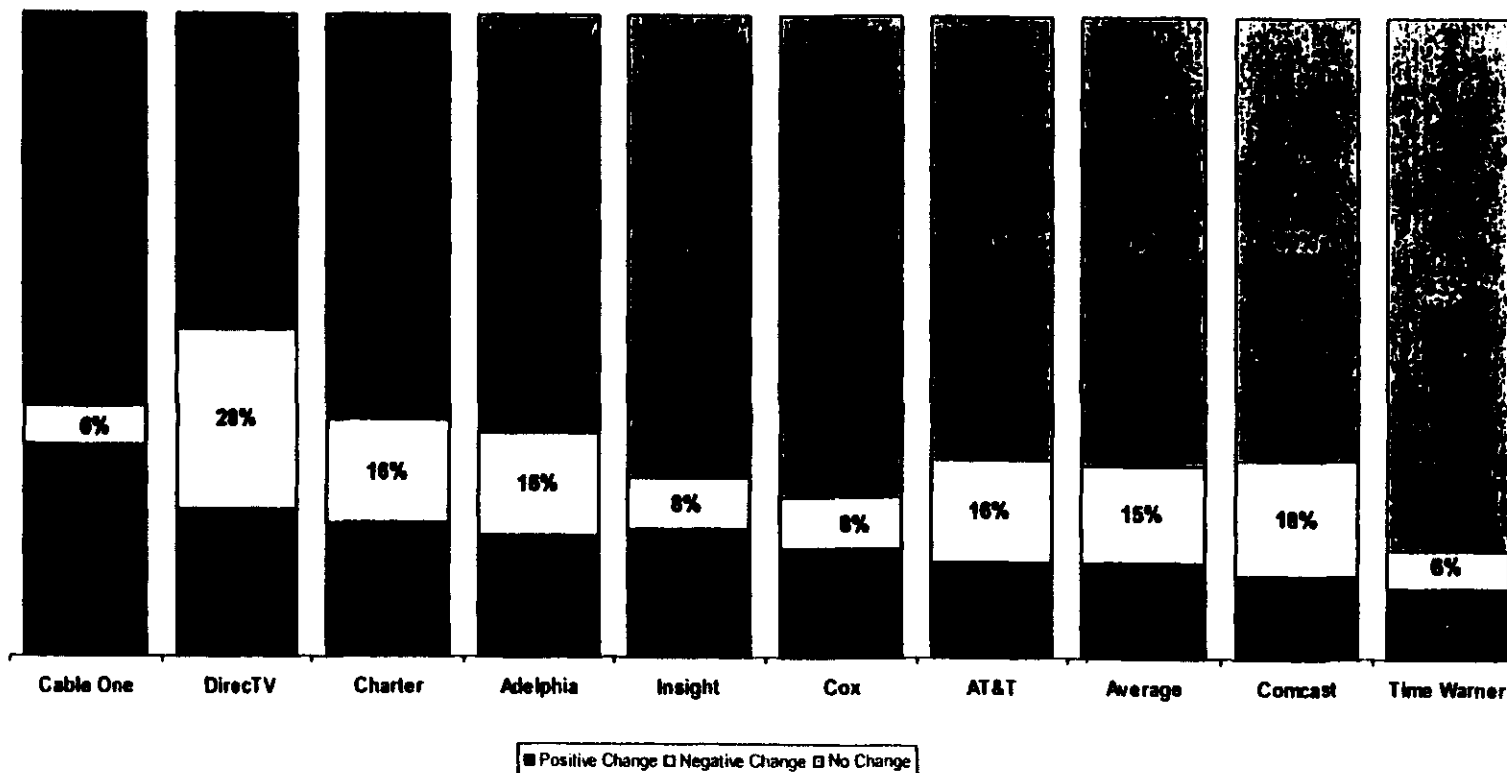
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**...More Than One Half Of DirecTV Household Report Experiencing Some Type Of Change In Their Service, Positive Or Negative, The Highest Level Of Any Company.**

**% Change In Cable/Satellite Service As A Result Of Merger\*:**



\* Excluded: Cable One and DISH Network due to insufficient sample size.

# Appendix



# Customer Satisfaction Measurement Process



**10073337**

### **Data Reduction**

• Cost Of Service • Credibility/Billing • Program Offerings  
• Equipment & Service Capabilities • Customer Service • Reception Quality

### ***Establish Importance Of Factors Relative To Overall Satisfaction***

### ***Combine Weights & Factor Scores Of Respondents***

# POWER



## Example Of How The J.D. Power And Associates' Customer Satisfaction Index Is Calculated

### Step 1. Factor Analysis

<u>Attribute Example</u>	<u>Specific Question</u>	<u>Factors Identified</u>
The Company's Reputation	Attribute 1	Factor 1
	Attribute 2	
	Attribute 3	Factor 2
	Attribute 4	
	Attribute 5	Factor 3
	Attribute 6	

- \* Respondents answer a battery of specific satisfaction attribute questions measuring satisfaction level
- \* Like attributes then are grouped into unique factors or dimensions using a technique called factor analysis

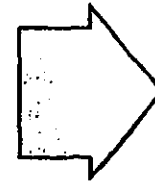
## Example Of How The J.D. Power And Associates' Customer Satisfaction Index Is Calculated

### Step 2. Calculating Attribute Scores

#### Attribute 1

##### "Company's Reputation"

Outstanding =	10	
.	9	← ----- Respondent's Score
.	8	
.	7	
.	6	
Average =	5	
.	4	
.	3	
.	2	
Unacceptable =	1	



\* Respondent's answer is converted into a numeric value

## Example Of How The J.D. Power And Associates' Customer Satisfaction Index Is Calculated

### Step 2. Calculating Attribute Scores

Respondents attribute  
score for attribute 1:

9

Mean score of all  
respondents for  
attribute 1:

7.8

Standard Deviation:

1.5

Scaling Factor:

20

Calculation of respondent's  
attribute 1 score:

$$\frac{9 - 7.8}{1.5} \times 20 + 100 = 116$$

- \* Each respondent's score for a given attribute is then averaged together
- \* The Standard Deviation is computed
- \* A Scaling Factor is determined
- \* Respondent's score for that attribute is calculated

## Example Of How The J.D. Power And Associates' Customer Satisfaction Index Is Calculated

### Step 3. Regression Analysis

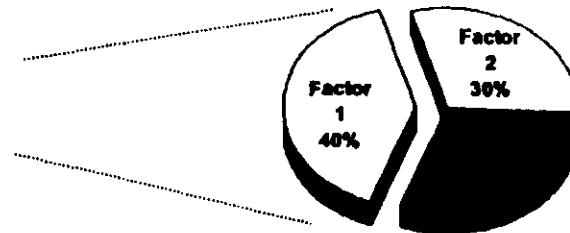
#### Attribute Weights

Derived  
From Factor  
Analysis



Attribute 1 weight 20%  
Attribute 2 weight 30%  
Attribute 3 weight 50%

#### Factor Weights



- \* Attribute weights are derived from Factor Analysis
- \* Using a technique called Regression Analysis, the impact of each factor of satisfaction is calculated
- \* Those factors which have the most impact are the greatest "discriminators" of overall satisfaction and are expressed as a % of overall satisfaction

## Example Of How The J.D. Power And Associates' Customer Satisfaction Index Is Calculated

### Step 4. Calculating Factor Scores

			Attribute Score	Attribute Weight	
Calculation Of Respondent's Attribute 1 Score:	$\frac{9 - 7.8}{1.5}$	$\times 20 + 100 = 116$	$\times .2$	$= 23$	
Calculation Of Respondent's Attribute 2 Score:	$\frac{7 - 6.9}{1.2}$	$\times 20 + 100 = 102$	$\times .3$	$= 30$	
Calculation Of Respondent's Attribute 2 Score:	$\frac{8 - 7.5}{1.1}$	$\times 20 + 100 = 109$	$\times .5$	$= 55$	
					<hr/>
					108
					<i>Respondent's Factor Score</i>

- ✱ Index scores are then calculated for each attribute in that factor
- ✱ Attribute weights are applied
- ✱ Attribute index score are multiplied by the weights and a respondent's factor score is derived

## Example Of How The J.D. Power And Associates' Customer Satisfaction Index Is Calculated

### Step 5. Calculating The Overall Satisfaction Index

<u>Factor 1</u>		<u>Weight 1</u>		<u>Factor 2</u>		<u>Weight 2</u>		<u>Factor 3</u>		<u>Weight 3</u>		<u>Overall Satisfaction Score</u>
(106	X	.3)	+	(105	X	.4)	+	(96	X	.3)	=	103

- \* An overall satisfaction index score is then calculated by applying the respective factor weight to each respondent's factor score

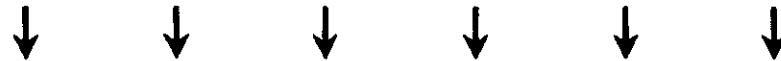
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### **Examine Overall Index Score Relative To Competition**



**• Cost Of Service • Credibility/Billing • Program Offerings  
ment & Service Capabilities • Customer Service • Reception Quality**



### ***Examine Factor Scores And Importance Of Factors Relative To Overall Satisfaction***



↓ ↓

***For Each Factor, Examine Attribute Index Scores  
(Which Add To The Respondents' Factor Score)***